

**HEALTH SERVICES AND DEVELOPMENT AGENCY  
MINUTES  
DECEMBER 12, 2007**

**AGENCY MEMBERS PRESENT**

Koella, Carl, III, Chair  
Atchley, Bryan, Vice Chair  
Caldwell, Gene, M.D.  
Gaither, Keith, designee for the TennCare Director  
Handorf, Charles, M.D.  
Jones, Clark  
Lammert, Gregory  
Morris, John, designee for the Commissioner of Commerce and Insurance  
Troy, Peggy  
Weaver, Faye, designee for the Comptroller of the Treasury

**AGENCY STAFF PRESENT**

Hill, Melanie, Executive Director  
Bobbitt, Melissa, Administrative Services Assistant III  
Brogden, Reid, General Counsel  
Christoffersen, Jim, Deputy General Counsel  
Craighead, Alecia, Statistical Analyst III  
Farber, Mark, Assistant Executive Director  
Finchum, Rhonda, Office Manager  
Wells, Phil, Health Planner III

**GUESTS PRESENT**

Aldrich, Sally, RN, MSN, Administrator/CNO of Hospice, Methodist Healthcare – Affiliated Services  
Anderson, Richie  
Averwater, Nancy, Administrator, Baptist Trinity Hospice  
Baker, E. Graham, Esq.  
Banks, Jeremy  
Banks, Matthew  
Barnes, Donna  
Barnes, Mark, St. Jude Children's Research Hospital  
Barnes, Phillip  
Bartee, Harry A., M.D.  
Bennett, Mona  
Benton, Tony, Vice President, Strategic Planning, Mountain States Health Alliance  
Bergman, Janice  
Blankenship, Brad, M.D.  
Bouldin, Bill, Medical Center of Manchester  
Brayfield, Wayne  
Brent, Michael D., Esq., Boulton, Cummings, Conners & Berry  
Brown, Dere, NHC  
Cathey, John  
Christopher, Neil, M.D.  
Clemmons, Annice, M.D.  
Coiro, Mike  
Corritore, Danell, Department of Health  
Couch, Bobby, Medical Center of Manchester

Cross, Alix Coulter, Esq., Harwell Howard Hyne Gabbert & Manner, P.C.  
Culp, Joe, Department of Health  
Curran, Larry, M.D., St. Jude Children's Research Hospital  
Curran, John  
Davis, Glenn, M.D.  
Day, Ed  
Demarse, Rebecca  
Dicus, J. A.  
Dicus, Martha  
Defubough, Calista  
Dickerson, Kerry  
Duke, Winifred  
Duncan, Bruce, NHC  
Dutton, Gerald  
Elan, Jennifer  
Elrod, Dan H., Esq., Miller & Martin  
Erwin, Sandra  
Feizkhah, Frank, CFO, Baptist Trinity Hospice  
Flood, Dee, Community Development, Methodist Healthcare – Affiliated Services  
Florence, David  
Foley, Mary Ellen, Administrator, CareAll, Inc.  
Foster, Mary C.  
Franks, Eric  
Georff, Nancy  
George, Bob  
George, Bridget  
Gooch, Warren, Esq., Kramer Rayson  
Graves, Mitch, President/CEO, Methodist Healthcare-Affiliated Services  
Gree, Rachel  
Grissom, Amy  
Haggard, Mary L.  
Hargrove, Ryan  
Harria, Scarlett  
Hayes, Keith  
Hermes, Clint  
Hill, Ronald, Vanderbilt University Hospital  
Honeycutt, Paul  
Houchin, Barbara, St. Thomas Health System  
Irvin, Sandra  
Jernigan, Jimmy A., Coffee County Realty & Auction  
Jernigan, Nancy  
Johnson, Tom, President, Health Services Management Group, LLC  
Johnston, Pamela  
Jones, Marlin  
Jordan, Lamar  
Kendrick, Grey  
Knight, Bryan  
Kun, Larry  
Laman, Craig B.  
Lake, Vicki  
Lewis, Kathy  
Literron, T.  
Looney, Kim Harvey, Esq., Waller, Lansden, Dortch & Davis  
Madevell, Jennifer  
Maples, Arthur, Director Strategic Analysis, Baptist Memorial Health Care Corporation  
Mason, Jackie  
McAbee, Wendell, M.D.  
McCormick, Martha  
McDearman, Scott, Esq., Grant, Konvalinka & Harrison, P.C.  
Meriwether, Thomas, M.D.

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Miller, Jeff, Esq., Harwell Howard Hyne Gabbert & Manner, P.C.  
 Miller, Lucianne  
 Miller, Mary A.  
 Minnick, Julie, Administrative Director of Hospice, Methodist Healthcare – Affiliated Services  
 Moore, Edward, Administrator, NHC, Maury County  
 Muehlman, Marsha  
 Moore, Elliott, Mountain States Health Alliance  
 Nicholson, Kathy, Trauger & Tuke  
 Niederhauser, Mary  
 Niederhauser, Mike  
 Norman, Lonnie, Alderman, City of Manchester  
 Owens, Pam, Director, HomeCare Clinical Services, NHC  
 Parr, Cathy H.  
 Parrish, Jeff  
 Patterson, Todd  
 Pennington, David, Coffee County Mayor  
 Penny, Linda, Comptroller's Office  
 Poe, Dale, Resource Center Director, Wellmont Health System  
 Poling, Becki, Department of Mental Health/Development Disabilities  
 Poling, Rodney A., M.D.  
 Price, Bill  
 Price, Brad, Chief Financial Officer, Bristol Regional Medical Center  
 Rinehga, Jessica  
 Roberts, John  
 Robertson, Alexis  
 Roth, James, M.D.  
 Sadler, Tamela  
 Sanford, Chip  
 Scott, Geneva  
 Simmons, Ross, Chief of Police, Manchester  
 Smithson, Penny  
 Southwick, Bill  
 Spira, Erica  
 Staniewski, Drew  
 Stephenson, Kate, Esq., Trauger & Tuke  
 Stubblefield, Erin  
 Sullivan, Jessica  
 Superstein, Betty, Mayor of Manchester  
 Swoape, Carolyn  
 Taylor, Jerry W., Esq., Farris, Mathews, Branam, Bobango, Hellen & Dunlap, PLC  
 Taylor-Huff, Dixie, White House Health Care, Inc.  
 Thomas, Steve  
 Thompson, Ann R., RN, BSN, MBA, Director of Licensure, Department of Health  
 Toliver, Lorretta  
 Trauger, Byron R., Esq., Trauger & Tuke  
 Tressler, James, M.D.  
 Van Hook, Robert  
 Van Winkle, Jimmy, M.D.  
 Vaughn, Angela  
 Veteto, Lisa  
 Wall, Tom, M.D., LasikPlus Vision Center  
 Warren, Charleace, Administrator, NHC HomeCare, Milan  
 Watson, Angela D.  
 Wellborn, John, Development Support Group  
 West, William H., Esq., Baker, Donelson, Bearman, Caldwell & Berkowitz  
 Williams, Peggy  
 Willis, Carole  
 Willis, Travis  
 Young, Coulter  
 Zeigler, Barbara

Chairman Koella, called the meeting to order at 8:30 a.m. in the Meeting Room 12 of Legislative Plaza, Nashville, Tennessee.

### **DIRECTOR'S ANNOUNCEMENTS**

Melanie Hill, Executive Director, made general announcements.

### **CERTIFICATE OF NEED APPLICATIONS**

*Mark Farber summarized the following CON applications:*

*Ms. Troy and Dr. Handorf recused. Mr. Gaither was absent.*

#### **Methodist Healthcare-University Hospital - (Memphis, Shelby County) - Project No. CN0708-064**

The relocation of thirty-four (34) licensed adult psychiatric beds from 135 Pauline Street, Memphis (Shelby County), TN 38104 to 1265 Union Avenue, Memphis (Shelby County), TN 38104 on the Methodist Healthcare-University Hospital campus. There will be renovation of 14,616 square feet of space to accommodate the relocated psychiatric beds and services. The project will not affect any other licensed bed complements. Project Cost \$1,025,252.00.

Byron Trauger, Esq., representing the applicant, addressed the Agency and Mitch Graves spoke on behalf of the project.

Dr. Caldwell moved for approval of the project based on: 1) Need – There is a need for the beds; 2) Economic Feasibility – The project is economically feasible through cash reserves; and 3) The project does contribute to the orderly development of adequate and effective health care by providing easier access to healthcare. Mr. Atchley seconded the motion. The motion CARRIED [7-0-0]. **APPROVED**

AYE: Morris, Lammert, Caldwell, Atchley, Weaver, Jones, Koella

NAY: None

#### **Huntsville Manor - (Huntsville, Scott County) - Project No. CN0707-057**

The addition of twenty-four (24)\* skilled nursing home beds dually certified for Medicare and Medicaid. This project will increase the licensed bed complement from 96 to 120.

### **WITHDRAWN**

*Mr. Gaither joined meeting.*

#### **LasikPlus Vision Center - (Franklin, Williamson County) - Project No. CN0707-059**

The construction and establishment of an ambulatory surgery treatment center (ASTC) limited to the provision of laser eye surgery services in approximately 3,644 square feet of leased space, and one procedure room housing multiple laser devices. No Medicare or TennCare services will be delivered at this surgery center. Project Cost \$1,253,260.00.

William West, Esq., representing the applicant, addressed the Agency. Dr. Tom Wall spoke on behalf of the project.

Dr. Handorf moved for approval of the project based on: 1) Need – The need is established for the provision of the procedures; 2) Economic Feasibility – The project is economically feasible through the operating lease and cash reserves; and 3) The project does contribute to the orderly development of adequate and effective health care as licenses are in place. Ms. Weaver seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella

NAY: None

#### **United Regional Medical Center - (Manchester, Coffee County) - Project No. CN0707-060**

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The relocation and replacement of the existing licensed hospital from 1001 McArthur Drive to a proposed location which contains approximately twenty-three (23) acres at the southeast corner of the intersection of McArthur Drive and Oak Drive, Manchester (Coffee County), TN. Square footage for the new construction is 98,240 square feet. The fifty-four (54) licensed beds will remain unchanged. The move will involve major medical equipment. No existing services will be discontinued. This project will be part of a planned new hospital campus which will include a replacement nursing home facility. Project Cost \$37,845,000.00.

Alix Cross, Esq., representing the applicant, addressed the Agency. Wendell McAbee, M.D., spoke on behalf of the project. Speaking in support were: Dr. Klara; Dr. Annice Clemmons; Brad Blankenship, M.D.; Marlin Jones; Harry A. Bartee, M.D.; Lonnie Norman, Alderman, City of Manchester; Penny Smithson; Keith Hayes; Mike Coiro; Bob George; Betty Superstein, Mayor of Manchester; Martha McCormick; Neil Christopher, M.D.; and Jeff Miller, Esq. Present in support of the project were: Alexis Robertson; Barbara Zeigler; Bill Price; Bridget George; Bryan Knight; Carol Willis; Carolyn Swoape; David Florence, D.O.; David Pennington, Coffee County Mayor; Glenn Davis, M.D.; James Roth, M.D.; Jeremy Banks; Jimmy Van Winkle, M.D.; John Cathey; John Roberts; Lamar Jordan; Mary Niederhauser; Mike Niederhauser; Paul Honeycutt; Ross Simmons, Chief of Police, Manchester; Todd Patterson; Wayne Brayfield; and Winifred Duke.

Speaking in opposition were: Jerry W. Taylor, Esq., representing Medical Center of Manchester; Dan H. Elrod, Esq., representing Harton Regional Medical Center; James Tressler, M.D.; Bill Bouldin, M.D.; Eric Sparkler, M.D.; Bobby Couch, Medical Center of Manchester; Jimmy A. Jernigan, Owner/Broker, Coffee County Realty & Auction.

Ms. Cross, Dr. McAbee and Mr. Corio rebutted.

Mr. Elrod and Mr. Taylor summated for the opposition.

Jeff Miller, Esq., summated for applicant.

Mr. Atchley moved for approval of the project based on: 1) Need – The need is presented for the over 50 year old hospital that has physical structure problems; 2) Economic Feasibility – The project is economically feasible by testimony of URMHC's staff and financial backers; and 3) The project does contribute to the orderly development of adequate and effective health care to bring this facility into the 21<sup>st</sup> century.

Dr. Handorf seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella  
NAY: None

#### **United Regional Medical Center Nursing Home - (Manchester, Coffee County) - Project No. CN0707-061**

The relocation and replacement of the existing licensed nursing home facility and the addition of thirty (30) new Medicare certified nursing home beds for a total of 102 nursing home beds. The nursing home is currently located at 1001 McArthur Drive and the proposed location contains approximately twenty-three (23) acres at the southeast corner of the intersection of McArthur Drive and Oak Drive, Manchester (Coffee County), TN. United Regional Medical Center plans to transfer the nursing home to Capital Funding, Inc., which will in turn lease it to Health Services, Inc., the proposed manager. The project will be part of a planned new hospital campus for the United Regional Medical Center on the same site. Project Cost \$9,286,849.00.

**Note:** The applicant withdrew the request for the thirty (30) additional Medicare-certified beds. The space where the beds were to be located will be used for assisted living which is not CON reviewable.

Alix Cross, Esq., representing the applicant, addressed the Agency. Speaking on behalf of the project were: Tom Johnson, President, Health Services Management Group, LLC; Mike Coiro; Lisa Vetigo; Glenn Davis, M.D.; Carol Willis; Barbara Ziegler; and Luanne Heard.

Speaking in opposition were: Mike Brent, Esq., representing Vanguard of Manchester, LLC; Jerry W. Taylor, Esq., representing Manchester Healthcare, LLC; and Kerry Dickerson, Manchester Healthcare Center.

Bruce Duncan, Vice President, NHC, addressed questions from members.

Ms. Cross rebutted.

Mr. Brent summated for the opposition. Ms. Cross summated for the applicant.

Ms. Troy moved for approval of the project based on: 1) Need – There is a community need; 2) Economic Feasibility – The project is economically feasible; and 3) The project does contribute to the orderly development of adequate and effective health care. Dr. Handorf seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella  
NAY: None

*Ms. Troy and Dr. Handorf recused.*

**Bells' Quality Care of West Tennessee, Inc. - (Bells, Crockett County) - Project No. CN0708-063**

The establishment of a new home health agency to serve Haywood, Tipton, Hardeman, Fayette, Shelby, Lauderdale, Crockett, Gibson, Carroll & Dyer counties. The agency will provide a full ranges of services, including but not limited to skilled nursing services. The home office will be located at 127 Hopkins Avenue, Bells (Crockett County), TN. Project Cost \$133,000.00.

Thurman T. McLean, Jr., Esq., representing the applicant, addressed the Agency. Craig Laman, Jackie Mason and Angela D. Watson spoke on behalf of the project.

Speaking in opposition were: Byron Trauger, Esq., representing, Jackson-Madison County General Hospital District, and Methodist Healthcare-Affiliated Services; Scott McDearman, Esq., representing CareAll Home Care; and Charleace Warren, Administrator, NHC HomeCare, Milan. Present in opposition were: Dan H. Elrod, Esq. representing Baptist Memorial Home Care, Inc.; Mary Ellen Foley, Administrator, CareAll, Inc.; Mitch Graves, President/CEO, Methodist Healthcare-Affiliated Services; Sally Aldrich, RN, MSN, Administrator/CNO, Methodist Healthcare-Affiliated Services; and Pam Owens, Director, HomeCare Clinical Services, NHC.

Mr. Lammert moved for denial of the project based on: 1) Need – The testimony of the applicant and that of the opposition states that there are plenty of home health agencies in the primary service area; 2) Economic Feasibility – The economic feasibility is questionable; and 3) The project will not contribute to the orderly development of adequate and effective health care in this area as it will dilute the scarce resources of nurses and other medical personnel in the area that already exists in Memphis and the surrounding areas. Mr. Morris seconded the motion. The motion CARRIED [8-0-0]. **DENIED**

AYE: Morris, Lammert, Caldwell, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

*Ms. Troy and Dr. Handorf recused.*

**Baptist Memorial Home Care, Inc d/b/a Baptist Trinity Hospice House - (Collierville, Shelby County) - Project No. CN0709-069**

The establishment of a residential hospice facility containing twenty-four (24) residential hospice beds to be located adjacent to Baptist Memorial Hospital-Collierville at 1500 Poplar Avenue, Collierville (Shelby County), TN 38017 to serve Shelby, Fayette and Tipton Counties. Project Cost \$10,254,656.00.

Dan H. Elrod, Esq., representing the applicant, addressed the Agency. Thomas Meriwether, M.D., spoke on behalf of the project. Byron Trauger, Esq. representing Methodist Healthcare spoke in support. Present in support were: Arthur Maples, Director Strategic Analysis, Baptist Memorial Health Services; Nancy Averwater, Administrator, Baptist Trinity Hospice and Frank Feizkhah, CFO, Baptist Trinity Hospice.

Mr. Lammert moved for approval of the project based on: 1) Need – The agency is a great home care provider in the area and their hospice services have provided great comfort to many families over the years. This project will meet a need in the community; 2) Economic Feasibility – The project is economically feasible with real estate lease and cash reserves available; and 3) The project will contribute to the orderly

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development of adequate and effective health care in the Memphis area. Mr. Atchley seconded the motion. The motion CARRIED [8-0-0]. **APPROVED**

AYE: Morris, Lammert, Caldwell, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

*Ms. Troy and Dr. Handorf recused.*

**Alliance Health Services, Inc. d/b/a Methodist Alliance Hospice - (Memphis, Shelby County) - Project No. CN0709-067**

The establishment of a thirty (30) bed residential hospice facility and the initiation of residential hospice services to be located at an unaddressed site on Qunice Road, Memphis (Shelby Co.), TN 38119. The service area includes Shelby, Fayette and Tipton Counties. Project Cost \$9,179,386.00.

Byron Trauger, Esq., representing the applicant, addressed the Agency. Sally Aldrich spoke on behalf of the project. Dan Elrod, Esq., representing Baptist Memorial Healthcare spoke in support of the project. Present in support were: Mitch Graves, Dee Flood, and Julie Minnick.

Mr. Jones moved for approval of the project based on: 1) Need – The need for the service is exemplified each day; 2) Economic Feasibility – The project is economically feasible; and 3) The project does contribute to the orderly development of adequate and effective health care. Mr. Lammert seconded the motion. The motion CARRIED [8-0-0]. **APPROVED**

AYE: Morris, Lammert, Caldwell, Atchley, Weaver, Gaither, Jones, Koella  
NAY: None

**Riverview Regional Medical Center - South - (Carthage, Smith County) - Project No. CN0709-070**

The establishment of a ten (10)-bed geriatric psychiatric program and the initiation of geriatric psychiatric services. The licensed beds will increase from 25 to 35 as a result of this project. When these ten (10) geriatric psychiatric beds are licensed, the ten (10)-bed geriatric psychiatric service currently located at Riverview Regional Medical Center-North in Carthage will be closed and the beds will be surrendered. The project will require approximately 5,128 square feet of space to be renovated at Riverview Regional Medical Center-South. Project Cost \$342,000.00.

Dan H. Elrod, Esq., representing the applicant, addressed the Agency. Edwin W. Day, Consultant, was present in support.

Dr. Handorf moved for approval of the project based on: 1) Need – The need for improved space has been established in the application; 2) Economic Feasibility – The project is economically feasible with financing through the cash reserves of the parent company; and 3) The project does contribute to the orderly development of adequate and effective health care as licenses are in place. **CONDITION: The Riverview Regional Medical Center-North geriatric psychiatric program will be closed and those beds will be surrendered.** Mr. Jones seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella  
NAY: None

**Behavioral Healthcare Center at Columbia - (Columbia, Maury County) - Project No. CN0709-071**

The establishment of a twenty-six (26) bed mental health hospital and the initiation of inpatient psychiatric services focused on the geriatric population. All twenty-six (26) will be designated as geriatric psychiatric beds. The facility will be licensed by the Department of Mental Health and Developmental Disabilities. Project Cost \$4,041,072.00.

Jerry W. Taylor, Esq., representing the applicant, addressed the Agency. Dr. Rodney Poling; Edward Moore, Mona Bennett; Sandra Irvin; and Gerald Dutton spoke on behalf of the project.

Becki Poling, DMH/DD addressed questions from members.

Mr. Jones moved for approval of the project based on: 1) Need – The need is expressed for this rural area with relation to a regional type center like this; 2) Economic Feasibility – The project is economically feasible with funds from the parent company; and 3) The project does contribute to the orderly development of adequate and effective health care in Tennessee. Dr. Caldwell seconded the motion. The motion FAILED [5-5-0].

AYE: Troy, Caldwell, Atchley, Jones, Koella  
NAY: Morris, Lammert, Handorf, Weaver, Gaither

Prevailing vote: Dr. Handorf stated that calculations of need for the beds does not support the project.

Dr. Handorf moved to reconsider the application. Mr. Atchley seconded. The motion CARRIED [10-0-0].  
**DEFERRED TO JANUARY**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella  
NAY: None

### **Bristol Regional Medical Center - (Bristol, Sullivan County) - Project No. CN0709-073**

The conversion of thirty (30) skilled nursing home beds to thirty (30) acute care medical/surgical hospital beds in the main facility. The licensed bed complement of the hospital will increase from 282 to 312 hospital beds and skilled nursing home will decrease beds from 30 to 0. Total beds spaces in the facility will not increase. Project Cost \$425,720.00.

Byron Trauger, Esq., representing the applicant, addressed the Agency. Brad Price, Chief Financial Officer spoke on behalf of the project. Present in support were: Dale Poe, Resource Center Director, Wellmont Health System and John Wellborn, Consultant

Dan Elrod, Esq., representing Mountain States Health Alliance opposed and Tony Benton, Vice President, Strategic Planning, Mountain States Health Alliance was present.

Mr. Lammert moved for approval of the project based on: 1) Need – the need is demonstrated by the rapid growth in the facility; 2) Economic Feasibility – The project is economically feasible and cash reserves are available; and 3) The project does contribute to the orderly development of adequate and effective health care in that part of Tennessee. **CONDITION: Skilled nursing home unit to be closed and nursing home beds to be delicensed.** Dr. Handorf seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella  
NAY: None

### **GENERAL COUNSEL'S REPORT**

#### **Lebanon Endoscopy Center, PLLC - (Lebanon, Wilson County) - Project No. CN0605-029A**

Request for modifications to increase square footage by 1,986 square feet from 1,867 square feet to 3,853 square feet; and project cost increase by \$214,000 from \$772,000 to \$986,000. These changes are due to changes requested by the State during the plans approval process. This project was approved for the establishment of an ambulatory surgery treatment center (ASTC) limited to Endoscopy with two (2) operating suites. The project was approved August 23, 2006 and the expiration date is October 1, 2008.

Kim Harvey Looney, Esq., representing the applicant, addressed the Agency and Bill Southwick, HealthMark Partners spoke on behalf of the request.

Dr. Handorf moved for approval of the request modifications of square footage as required by the review process of the State and also by AIA guidelines. Mr. Atchley seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella



NAY: None

**Lincoln Medical Center - (Fayetteville, Lincoln County) - Project No. CN0611-091A**

Request for modifications to increase project costs by approximately 27% from \$499,634 to \$635,000. This cost increase is due to material costs that were not foreseen in the development of the original construction budget. This project was approved February 28, 2007 for the establishment of a ten (10)-bed geropsychiatric unit and the initiation of psychiatric services increasing the licensed beds from forty-nine (49) to fifty-nine (59) beds. The expiration date is April 1, 2010.

William West, Esq., representing the applicant, addressed the Agency.

Dr. Handorf moved for approval of the request of the project cost increase due to unforeseen increased material costs which are common. Dr. Caldwell seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella

NAY: None

**SkyRidge Medical Center - (Cleveland, Bradley County) - Project No. CN0611-093A**

Request for modifications in order to comply with the revised 2006 AIA guidelines by converting 14 double occupancy inpatient rooms to 14 single inpatient occupancy rooms. This modification decreases the beds by 14 for a 31-bed medical/surgical unit and 10-bed ICU. The project cost will decline approximately by \$75,000 from the original project cost of \$45,080,000 to 45,005,000. This project was approved at the March 28, 2007 meeting for the modification to the physical plant, including the expansion of the emergency department, surgery department, intensive care unit and patient care areas. The 351 licensed bed complement remained unchanged. The expiration date is May 1, 2010.

William West, Esq., representing the applicant, addressed the Agency and Coleman Foss, CEO, spoke on behalf of the request.

Mr. Jones moved for approval of the request as presented with the delicensing of 14 beds. Mr. Atchley seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella

NAY: None

**White House Healthcare - (White House, Robertson County) - Project No. CN9409-062AEEE**

Request for a six (6) month extension of the expiration date from December 31, 2007 to June 30, 2008. The original Certificate of Need was approved on December 14, 1994 for the construction and operation of a one hundred forty (140) bed intermediate and skilled care nursing facility featuring a twenty-four (24) bed Alzheimer's special care unit, a twenty-four (24) bed skilled nursing facility rehabilitation unit, and a ninety-two (92) bed unit dually certified for both Medicare and Medicaid. The original expiration date of February 1, 1997 was extended to December 12, 2004 due to dismissal of a contested case. On May 26, 2004 the HSDA granted an extension of the December 12, 2004 expiration date to December 12, 2005 and cost over-run from \$5,100,000 to \$6,420,000. On September 22, 2004 the Agency approved an additional extension of the expiration date from December 12, 2005 to December 31, 2006. At the March 22, 2006 meeting modifications were approved for the construction of five (5) twelve (12)-bed facilities instead of a single 140 bed facility and to extend the expiration date from December 31, 2006 to December 31, 2007.

Graham Baker, Esq., representing the applicant, addressed the Agency. Dixie Taylor-Huff spoke on behalf of the request.

Mr. Jones moved for approval of the request for a six (6) month extension from December 31, 2007 to June 30, 2008. Mr. Atchley seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Morris, Troy, Lammert, Caldwell, Atchley, Handorf, Weaver, Gaither, Jones, Koella

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NAY: None

## **EMERGENCY CERTIFICATE OF NEED**

### **St. Jude Children's Research Hospital - (Memphis, Shelby County) - Project No. CN0405-049A**

(Chili's Care Center) This project was approved at the October 27, 2004 meeting for the construction of a seven (7) story building; acquisition of a linear accelerator, cyclotron, two 2.0 Tesla magnetic resonance imaging (MRI) units, a PET/CT scanner; and for the addition of sixteen (16) licensed hospital beds to be located on the hospital's campus. The expiration date was December 1, 2007. The construction company encountered numerous difficulties and was not able to complete the project by the expiration date. The only PET/CT scanner and 3.0 Tesla MRI available at SJRH have been moved and will be unavailable for use.

William West, Esq., representing the applicant, addressed the Agency. Mark Barnes, Dr. Larry Curran and John Kerr spoke on behalf of the project.

Mr. Atchley moved for approval of the emergency Certificate of Need for a total of 120 days. Ms. Hill seconded the motion. The motion CARRIED [3-0-0]. **APPROVED**

AYE: Atchley, Koella, Hill  
NAY: None

## **CURRENT REPORTS**

### **Statistical Reports**

The reports were accepted into the record.

### **Finance, Ways and Means Committee Reports**

The reports were accepted into the record.

### **Minutes**

The minutes of the November 14, 2007, meeting was accepted by unanimous voice vote with correction of page 3 regarding February meeting date from the 28<sup>th</sup> to the 27<sup>th</sup>.

## **ADJOURNMENT**

There being no further business, the meeting adjourned.

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Melanie M. Hill, Executive Director  
MMH/mab